



ARKANSAS INSURANCE DEPARTMENT
1200 WEST THIRD STREET
LITTLE ROCK, AR 72201-1904
PHONE (501) 371-2605
<http://www.state.ar.us/insurance>

2003 TITLE INSTRUCTIONS
ACCOUNTING DIVISION

PREMIUM TAX FILING INSTRUCTIONS TITLE AND AVIATION TITLE INSURANCE COMPANIES

FILING REQUIREMENTS: **IN ONE PACKET ENCLOSE**

- ☐ 2003 FORM AID AC TI-T (ANNUAL REPORT OF PREMIUMS, TAXES AND FEES); SUPPORTING DOCUMENTATION AND CHECK ATTACHED
- ☐ 1 COPY OF SCHEDULE T

MAILING ADDRESS FOR PREMIUM TAX FILINGS AND PAYMENTS:

ARKANSAS INSURANCE DEPT.
ACCOUNTING DIVISION
1200 WEST THIRD STREET
LITTLE ROCK, AR 72201-1904

**DO NOT MAIL PREMIUM TAX FORMS AND CHECKS WITH THE
ANNUAL STATEMENT OR ANY OTHER CORRESPONDENCE.**

FOR QUESTIONS CONCERNING THE COMPLETION OF THE TAX FORMS CONTACT:

ACCOUNTING DIVISION
(501) 371-2605

Email: Insurance.Accounting@mail.state.ar.us

PENALTIES: ALL TAX FORMS ARE SUBJECT TO PENALTY IN ACCORDANCE WITH ACA 26-57-607. THE ARKANSAS INSURANCE DEPARTMENT DOES NOT ACCEPT THE POSTMARK DATE FOR FILING REQUIREMENTS. ALL TAX FORMS MUST BE RECEIVED IN OUR DEPARTMENT ON OR BEFORE MARCH 1, 2004. NO AUTHORITY EXISTS FOR GRANTING ANY EXTENSION OF TIME FOR FILING OR PAYMENT.

CONSUMER INFORMATION ASSESSMENT FEE: ACA 23-63-108 HAS BEEN REPEALED. THE DEPARTMENT NO LONGER COLLECTS THIS FEE.

CORPORATE FRANCHISE TAX: **DO NOT INCLUDE THE FRANCHISE TAX FORM AND PAYMENTS IN YOUR PREMIUM TAX FILINGS.** REMIT THEM AT THE APPROPRIATE TIME TO THE OFFICE OF THE SECRETARY OF STATE, ATTENTION: CHARLOTTE MARTIN, AGEON BLDG., SUITE 310, 501 WOODLANE, LITTLE ROCK, AR 72201. DIRECT INQUIRIES TO THE SECRETARY OF STATE (501) 682-3409.

SECTION C: Information regarding the Arkansas credits**Affordable Neighborhood Housing Tax Credit §§ 15-5-1303 to 15-5-1304**

Insurers that perform affordable housing assistance activities may take a premium tax credit for up to 30% of the total amount invested and not to exceed \$750,000 in any taxable year. Program must meet standards of and be approved by Arkansas Development Finance Authority.

Low-Income Housing Tax Credit § 26-51-1702

Insurers are allowed a state income or premium tax credit equal to 20% of the federal low-income housing tax credit not to exceed \$250,000 in any taxable year. The credit is available for insurers that own an interest in a qualified project for which the Arkansas Development Finance Authority has issued an eligibility statement.

County or Regional Industrial Development Corporation on Limited Liability Company § 15-4-1224

Insurers may take a premium tax credit for investments in a county or regional industrial development firm. The credit is equal to 33.33% of the actual purchase price of stock or units of interest and fees paid (with limitations). The maximum credit in one tax year is 50% of the net premium tax liability. Excess may be carried forward for three years.

Capital Development Corporation Tax Credit §§ 15-4-1026, 15-4-1029(f)(1)

Person who purchases an equity interest in a capital development company between 2003 through 2013 is entitled to a credit against any state income tax liability or premium tax liability, which may be imposed on the purchaser for any tax year commencing with the tax year, which is two years after the date of the purchase. The credit shall be equal to thirty-three and one-third ($33\frac{1}{3}$) of the actual purchase price paid for the equity interest to the company, including any fees or commissions to underwriters or sales agents paid by the company. No fees or commissions in excess of fifteen percent (15%) of the total purchase price may be considered in calculating the amount of the credit. In any one-tax year, the credit shall not exceed fifty percent (50%) of the net state income tax liability or premium tax liability of the taxpayer after all other credits or reductions in tax have been calculated. No credit under this section is allowed for any tax year after December 31, 2019.

Upon dissolution, if the proceeds from the purchase of the equity interest have not been used for the purposes stated in § 15-4-1016 or for operating expenses, then each person who previously claimed a tax credit with respect to that purchase, the tax imposed for the year the dissolution occurs shall be increased by the tax credit amount associated with the unused purchase proceeds.

SECTION G. COMPANY FINANCIAL REGULATION FEE

Each licensed insurer pays a fee based on the direct premiums and co-payments written in Arkansas during the preceding year. The form AID AC CFRF and fee are due on or before June 30 of each year. The minimum fee is \$500.00 if no business was written in the preceding year. The maximum fee is \$25,000.00. **DO NOT LEAVE THIS LINE BLANK OR ENTER ZERO.** This fee is necessary to determine the aggregate liability of taxes and fees (Section L). The **only** exception is a company admitted to the State of Arkansas during the 2003 calendar year, a fee was not due June 30, 2003.

REFUNDS:

If a refund is due for AID AC TI-T (annual report of premiums, taxes, and fees) check the line on page 1, in the upper right hand corner.

**ARKANSAS INSURANCE DEPARTMENT****2003 FORM AID AC TI-T**

1200 WEST THIRD STREET
LITTLE ROCK, AR 72201-1904
PHONE: (501) 371-2605
WWW.STATE.AR.US/INSURANCE

ACCOUNTING DIVISION
DUE MARCH 1, 2004

___ ORIGINAL FILING

___ AMENDED FILING

**ANNUAL REPORT OF PREMIUMS, TAXES AND FEES OF ALL
TITLE AND AVIATION TITLE INSURANCE COMPANIES**

NAIC COMPANY CODE (5 digit code)		STATE OF DOMICILE
COMPANY NAME		
MAILING ADDRESS		
CONTACT PERSON		
TELEPHONE NUMBER	EXT	FAX NUMBER
EMAIL ADDRESS		

**Column 1
Arkansas Tax**

**Column 2
State of Domicile Tax
on Arkansas Insurer
Tax Rate_____**

COMPUTATION OF PREMIUM TAX:**A. TITLE INSURANCE PREMIUMS:**

2003 ANNUAL STATEMENT, PAGE 56, LINE 4, COLUMNS 3, 4, & 5
(INCLUDING BUT NOT LIMITED TO: COST OF TITLE SEARCH/EXAMINATIONS;
POLICY ISSUING COST; AMOUNT RETAINED BY OR COMMISSIONS TO
AGENTS/ABSTRACTORS/ATTORNEYS OVERHEAD AND MISCELLANEOUS
EXPENSES; EXPECTED LOSSES AND ALAE FROM UNDERWRITING THE
RISK; AND PROFIT MARGIN)

1. DIRECT WRITTEN PREMIUMS	\$ _____	\$ _____
2. FINANCE AND SERVICE CHARGES, POLICY MEMBERSHIP AND OTHER FEES INCLUDING PREMIUM INCOME	\$ _____	\$ _____
3. NET TAXABLE PREMIUMS: (1 + 2)	\$ _____	\$ _____
4. TAX THEREON 2 1/2%	\$ _____	\$ _____

B. ITEMIZE AND ATTACH DOCUMENTATION:

5. ADDITIONAL TAXES AND FEES OF STATE OF DOMICILE	XXXXXXXXXXXXXX	\$ _____
6. AVAILABLE CREDITS OF STATE OF DOMICILE	XXXXXXXXXXXXXX	\$ (_____)

C. CREDITS :

7. AFFORDABLE NEIGHBORHOOD HOUSING CREDIT	\$ (_____)	\$ (_____)
8. LOW-INCOME HOUSING TAX CREDIT	\$ (_____)	\$ (_____)
9. COUNTY & REGIONAL INDUSTRIAL DEVELOPMENT CORPORATION CREDIT	\$ (_____)	\$ (_____)
10. TOTAL CREDITS (7 THRU 9)	\$ (_____)	\$ (_____)

Column 1

Column 2

D. TOTAL OF ALL PREMIUM TAX DUE:

11. LINES A(4) + B(5) - B(6) - C(10)

\$ _____

\$ _____

12. CAPITAL DEVELOPMENT CORPORATION TAX CREDIT

\$(_____)

\$(_____)

13. NET PREMIUM TAX (line 11-12)

\$ _____

\$ _____

AMOUNT CANNOT BE LESS THAN ZERO**E. FEES:**

14. FILING ANNUAL STATEMENT

\$ 50.00

\$ _____

15. CERTIFICATE OF AUTHORITY RENEWAL

\$ 100.00

\$ _____

****FOR RETALIATORY FEES OTHER THAN ABOVE, LIST IN SECTION B****

16. TOTAL FEES (lines 14 + 15)

\$ 150.00

\$ _____

F. PREMIUM TAXES AND FEES DUE:

17. LINES D(13) + E(16)

\$ _____

\$ _____

G. COMPANY FINANCIAL REGULATION FEE:18. ENTER FEE PAID 6/30/03: 2003 FORM AID AC CFRF
SEE INSTRUCTIONS PAGE 2-AMOUNT CANNOT BE ZERO

\$ _____

SEE SECTION B

H. AGGREGATE LIABILITY OF TAXES AND FEES:19. FOR CALENDAR YEAR 2003 WITHOUT DEDUCTION OF
PREPAYMENTS—LINES F(17) + G(18)

\$ _____

\$ _____

I. COMPLETE EITHER SUBSECTION 1 OR 2 ONLY.**IF THE AMOUNT IN SECTION H, COLUMN 1, LINE 19 IS GREATER THAN THE AMOUNT IN SECTION H, COLUMN 2, LINE 19, THEN COMPLETE SUBSECTION 1. LINES 20-24 BELOW ONLY, (NOT LINES 25-29)****SUBSECTION 1:**

20. TOTAL OF ALL PREMIUM TAXES DUE COLUMN 1, LINE 13

\$ _____

21. FEES FROM COLUMN 1, LINE 16

\$ _____

22. SUBTOTAL OF PREMIUM TAX AND FEES DUE (LINE 20 + 21)

\$ _____

23. LESS 2003 QUARTERLY PREPAYMENTS

\$(_____)

24. **NET PAYMENT DUE** (lines 22-23)

\$ _____

IF THE AMOUNT IN SECTION H, COLUMN 2, LINE 19 IS GREATER THAN THE AMOUNT IN SECTION H, COLUMN 1, LINE 19 THEN COMPLETE SUBSECTION 2, LINES 25-29 BELOW ONLY, (NOT LINES 20-24)**SUBSECTION 2:**

25. PREMIUM TAX FROM COLUMN 2, LINE 13

\$ _____

26. FEES FROM COLUMN 2, LINE 16

\$ _____

27. SUBTOTAL OF PREMIUM TAX AND FEES DUE (LINE 25 + 26)

\$ _____

28. LESS 2003 QUARTERLY PREPAYMENTS

\$(_____)

29. **NET PAYMENT DUE** (lines 27-28)

\$ _____

2003 Form AID AC EST-Q Quarterly Prepayments

3/31/03	check #	\$
6/30/03	check #	\$
9/30/03	check #	\$

*****PAYMENTS AND REFUNDS*****

- 1 **MAKE CHECK PAYABLE TO THE STATE TREASURER OF THE STATE OF ARKANSAS AND ATTACH TO THIS FORM**
(CHECKS FOR GROUPS ARE NOT ACCEPTABLE. PAYMENT MUST BE MADE FOR EACH INDIVIDUAL COMPANY)
- 2 DO NOT TAKE ANY CREDITS FOR PRIOR YEAR OVERPAYMENTS.
- 3 IF THE NET PAYMENT RESULTS IN A REFUND, DO NOT SEND A CHECK FOR THE FEES IN SECTION E.
- 4 REFUNDS WILL BE SENT AFTER THE RETURN IS AUDITED.

ATTACH THE FOLLOWING TO THIS FORM:

- 1 ☐ SUPPORTING DOCUMENTATION FOR SECTION C
- 2 ☐ COPY OF PAGE 56 OF THE 2003 ANNUAL STATEMENT
- 3 ☐ ONE CHECK FOR THE NET PAYMENT DUE

AFFIDAVIT

STATE OF _____

COUNTY OF _____

COMES _____ AND STATES ON OATH THAT

HE/SHE IS THE _____ OF _____
(TITLE) (NAME OF COMPANY)

AND THAT THE FOREGOING STATEMENTS ARE TRUE AND CORRECT AS SHOWN BY THE RECORDS OF SAID COMPANY.

(ORIGINAL SIGNATURE OF OFFICER)

SUBSCRIBED AND SWORN TO OR AFFIRMED BEFORE ME, THE UNDERSIGNED NOTARY PUBLIC, ON THIS THE

_____ DAY OF _____, 20____.

NOTARY

MY COMMISSION EXPIRES
